hospital treatment under this, subparagraph (B), except that where the official records of the Army or Navy show a finding of disability not incurred in line of duty and evidence is submitted to the Veterans' Administration which permits of a different finding, the decision of the Army or Navy will not be binding upon the Veterans' Administration, which will be free to make its own determination of line of duty incurrence upon the evidence so submitted. It will be incumbent upon the applicant to present such controverting evidence and, until he so acts and a determination favorable to him is made by the Veterans' Administration, the finding of the Army and Navy will control and hospitalization will not be authorized. Such controverting evidence, when received from an applicant, will be referred to the adjudicating agency which would have jurisdiction if the applicant were filing claim for pension or disability compensation, and the determination of such agency as to line of duty, which is promptly to be communicated to the manager of the facility receiving the application for hospitalization, will govern his disapproval or approval of admission, other eligibility requirements having been met. Where the official records of the Army or Navy show that the disability on account of which a veteran was discharged from his peace time service was incurred in line of duty, such showing will be accepted for the purpose of determining his eligibility for hospitalization notwithstanding the fact that the Veterans' Administration has made a determination in connection with a claim for monetary benefits that the disability was incurred not in line of duty.

If the applicant's only service was in peace time and his last discharge was not honorable, hospital treatment will be furnished only for a disease or injury incurred in line of duty in a period of service from which he was honorably discharged for disability incurred in line of duty.

(3) When the applicant is in receipt of a pension for a service-connected disability, inquiry will not be made as to the character of discharge from service. The same waiver as to character of discharge will be applicable to subparagraph (D), following.

(4) In those exceptional cases where the official records of the Army or Navy show honorable discharge because of expiration of period of enlistment or any other reason save disability, but also show a disability incurred in line of duty during the said enlistment; and the disability so recorded is considered in medical judgment to be or to have been of such character, duration, and degree as to have justified a discharge for disability had the period of enlistment not expired or other reason for discharge been given, the medical director, upon consideration of a clear, full statement of the circumstances submitted to him, is authorized to approve admission of the applicant for hospital treatment, provided other eligibility requirements are met. A typical case of this kind would be one where the applicant was under treatment for the said disability recorded during his service at the time discharge was given for reason other than disability.

(C) (1) Hospital or domiciliary care, including emergency or extensive hospital treatment, for: Veterans who served during a period of war as defined in paragraph 1, Veterans Regulation No. 10, and paragraph IV of Veterans Regulation No. 10, as amended by paragraph 1 of Veterans Regulation No. 10 (e), or in any war prior to the Spanish-American War, (1) who have an honorable discharge from their last period of war service, (2) who served in the active military or naval service for 90 days or more, or who, having so served for less than 90 days, were discharged for disability incurred in line of duty; (3) who are suffering from a permanent disability, tuberculous or neuropsychiatric ailment or such other conditions requiring emergency or extensive hospital treatment; (4) and who are incapacitated from earning a living, and have no adequate means of support.

(2) The administrative determination of line of duty incurrence of disability, as prescribed in subparagraph (B) (2) will also be applicable to veterans of wars under this, subparagraph (C).

(D) Hospital or domiciliary care, including emergency or extensive hospital treatment, for: (1) Persons honorably discharged from their last period of active military or naval service in the United States Army, Navy, or Marine Corps (or honorably discharged from their last period of service in the United States Coast Guard), for disability incurred in line of duty or who are in receipt of pension for service-connected disability, when suffering from a permanent disability or tuberculous or neuropsychiatric ailment or such other conditions requiring emergency or extensive hospital treatment; and who are incapacitated from earning a living and have no adequate means of support. Also see subparagraph (B) (3).

(2) The determination whether an applicant other than one in receipt of pension for service-connected disability was discharged for disability incurred in line of duty will be obtained from the official records of the Army or Navy, respectively. However, under like circumstances, the exception as to this procedure, as prescribed in subparagraph (B) (2) will be applicable under this, subparagraph (D).

(3) The medical director's determination whether discharged, assigned for other reasons, could have been for disability incurred in line of duty, as prescribed in subparagraph (B) (4) will apply to applicants under this, subparagraph (D). (May 20, 1936.)

(F) Hospital treatment (only in facilities under direct and exclusive jurisdiction of the Veterans' Administration) for: (1) Retired officers and enlisted men of the United States Army, Navy, Marine Corps, or Coast Guard (regular establishment) who served in a period of war as defined in paragraph I, Veterans' Regulation No. 10, and paragraph IV of Veterans' Regulation No. 10, as amended by paragraph I of Veterans' Regulation No. 10 (e), or in any war prior to the Spanish-American War; and who are suffering from a disease or injury for which hospital treatment is needed.

(2) Prior authority for hospital treatment of applicants under this, subparagraph (F), must be obtained from the medical director, applicants will be advised of the per diem rate applicable and will be required to express unqualified acceptance of that rate and intention to make payment in full for the treatment before hospitalization is supplied. The per diem rate will not be assessable for hospital treatment rendered prior to July 20, 1935. (May 20, 1936.) (Vets. Reg. No. 6 (c)).

FRANK T. HINES,
Administrator of Veterans' Affairs.

[F.R. Doc. 696—Filed, May 20, 1936; 11:19 a.m.]

Friday, May 22, 1936 *No. 50*

PRESIDENT OF THE UNITED STATES.

EXECUTIVE ORDER

ESTABLISHING THE DESERT GAME RANGE

Nevada

By virtue of and pursuant to the authority vested in me as President of the United States and by the Act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the Act of August 24, 1912, ch. 369, 37 Stat. 497, and subject to the conditions therein expressed and to all valid existing rights, it is ordered that the following-described lands, insofar as title thereto is in the United States, be, and they are hereby, withdrawn from settlement, location, sale, or entry and reserved and set apart for the conservation and development of natural wildlife resources and for the protection and improvement of public grazing lands and natural forage resources: *Provided*, That nothing herein contained shall restrict prospecting, locating, developing, mining, entering, leasing, or patenting the mineral resources of the lands under the applicable laws: *Provided further*, That any lands within the described area which are otherwise withdrawn or reserved will be affected hereby only insofar as may be consistent with the uses and purposes for which

such prior withdrawal or reservation was made: *And provided further* That upon the termination of any private right to, or appropriation of, any public lands within the exterior limits of the area included in this order, or upon the revocation of prior withdrawals unless expressly otherwise provided in the order of revocation, the lands involved shall become part of this preserve:

Nevada

MOUNT DIABLO MERIDIAN

Ts. 9 to 20 S., inclusive, R. 54 E., those parts in Lincoln and Clark Counties;
Ts. 9 to 20 S., inclusive, R. 55 E., exclusive of Dixie National Forest;
Ts. 13 to 16 S., inclusive, R. 55½ E.,
Ts. 9 to 21 S., inclusive, Rs. 56 and 57 E., exclusive of Dixie National Forest;
Ts. 9 to 21 S., inclusive, R. 58 E.,
Ts. 9 to 16 S., inclusive, Rs. 59 to 62 E., inclusive.

This range or preserve, insofar as it relates to conservation and development of wildlife, shall be under the joint jurisdiction of the Secretaries of the Interior and Agriculture, and they shall have power jointly to make such rules and regulations for its protection, administration, regulation, and improvement, and for the removal and disposition of surplus game animals, as they may deem necessary to accomplish its purposes, and the range, or preserve, insofar as it relates to the public grazing lands and natural forage resources thereof, shall be under the exclusive jurisdiction of the Secretary of the Interior, if and when said lands are included in a grazing district duly established, pursuant to the provisions of the Act of June 28, 1934. *Provided, however,* That the natural forage resources therein shall be first utilized for the purpose of sustaining in a healthy condition a maximum of one thousand eight hundred (1,800) Nelson's mountain sheep, the primary species and such nonpredatory secondary species in such numbers as may be necessary to maintain a balanced wildlife population, but in no case shall the consumption of forage by the combined population of the wildlife species be allowed to increase the burden of the range dedicated to the primary species: *Provided further* That with the exception of lands purchased for wildlife conservation purposes all the lands embraced in this range or preserve may be included within a grazing district established under authority of the Act of June 28, 1934, ch. 865, 48 Stat. 1269, or as such act may hereafter be amended, and except as otherwise provided with respect to wildlife, all of the forage resources within this range or preserve shall then be available for domestic livestock under rules and regulations promulgated by the Secretary of the Interior under the authority of that act: *And provided further* That land within the exterior limits of the area herein described, acquired and to be acquired by the United States for the use of the Department of Agriculture for conservation of migratory birds and other wildlife, shall be and remain under the exclusive administration of the Secretary of Agriculture and may be utilized for public grazing purposes only to such extent as may be determined by the said Secretary to be compatible with the utilization of said lands for the purposes for which they were acquired as aforesaid under regulations prescribed by him.

Executive Order No. 6910, of November 26, 1934, withdrawing for classification and other purposes all vacant, unreserved and unappropriated public lands in the State of Nevada, and certain other States, as amended by Executive Orders No. 7048, of May 20, 1935, and No. 7235, of November 26, 1935, is hereby further amended to exclude from the provisions of that order as amended the above-described lands.

This preserve shall be known as the Desert Game Range.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
May 20, 1936.

[No. 7373]

[F. R. Doc. 704—Filed, May 21, 1936; 12:32 p. m.]

EXECUTIVE ORDER

REVOCATION OF EXECUTIVE ORDER NO. 6499 OF DECEMBER 15, 1933, WITHDRAWING PUBLIC LANDS

New Mexico

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, Executive Order No. 6499 of December 15, 1933, withdrawing public lands in T. 12 S., R. 8 W. of the New Mexico principal meridian, New Mexico, pending a resurvey, is hereby revoked.

This order shall become effective upon the date of the official filing of the plat of resurvey of said township.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
May 20, 1936.

[No. 7374]

[F. R. Doc. 705—Filed, May 21, 1936; 12:33 p. m.]

EXECUTIVE ORDER

REVOCATION OF EXECUTIVE ORDER NO. 4289 OF AUGUST 22, 1925

Arizona

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, Executive Order No. 4289 of August 22, 1925, withdrawing and reserving the following-described land for use of the War Department as an emergency landing field for airplanes in connection with the operation and maintenance of the Army Air Service, is hereby revoked:

Gila and Salt River Base Meridian, T. 9 S., R. 23 W., sec. 9, SW¼SE¼.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
May 20, 1936.

[No. 7375]

[F. R. Doc. 703—Filed, May 21, 1936; 12:31 p. m.]

EXECUTIVE ORDER

REVOCATION OF EXECUTIVE ORDER NO. 6286 OF SEPTEMBER 14, 1933, WITHDRAWING PUBLIC LANDS

New Mexico

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, Executive Order No. 6286 of September 14, 1933, withdrawing public lands in Tps. 9 and 10 S., R. 8 W., of the New Mexico principal meridian, New Mexico, pending a resurvey, is hereby revoked.

This order shall become effective upon the date of the official filing of the plats of resurvey of said townships.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
May 20, 1936.

[No. 7376]

[F. R. Doc. 702—Filed, May 21, 1936; 12:31 p. m.]

EXECUTIVE ORDER

TRANSFERRING CERTAIN LANDS TO THE CONTROL AND JURISDICTION OF THE SECRETARY OF THE NAVY

Massachusetts

By virtue of and pursuant to the authority vested in me by the act of July 11, 1919, 41 Stat. 131, 132 (U. S. C., Title 10, Sec. 1274) and otherwise, and in the interest of the

national defense, it is ordered that there be, and there is hereby, transferred to the control and jurisdiction of the Secretary of the Navy, all that part of the former United States Naval Destroyer and Submarine Base, Squantum, Massachusetts, containing approximately 468 acres of fast and tide lands, that was transferred to the control and jurisdiction of the Secretary of War by letter of the Secretary of the Navy dated April 4, 1929, and is situate southerly of a line extending from low-water mark of Dorchester Bay to low-water mark of Neponset River, such line being more particularly described as follows:

"Beginning at a point on the shore line of Dorchester Bay, approximately 675 feet southeasterly of the southeast building line of Building No. 24, and on the center line of the center railroad track of plate yard prolonged; thence southwesterly to a point 25 feet south of the southeasterly end of the southwest wall of Building No. 24; thence paralleling the southwest wall of Building No. 24 to the intersection of the north side of Victory Road; thence following the north side of Victory Road northwesterly to a point 25 feet northwest of the northwesterly building line of Building No. 24; thence northeasterly paralleling the northwesterly building line of Building No. 24 to a point on the southerly side of F Street produced southeasterly thence northwesterly along the South side of F Street, a distance of 825 feet more or less; thence northwesterly paralleling the center railroad track of the plate yard at a distance of 15 feet therefrom to the intersection of the north side of Victory Road; thence northwesterly following the north side of Victory Road for a distance of 1625 feet, more or less, thence in a northwesterly direction on a bearing north 14°0′ west to the line of extreme low water of the Neponset River. From the point beginning the line is produced easterly paralleling the first described line to extreme low water."

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
May 20, 1936.

[No. 7377]

[F. R. Doc. 701—Filed, May 21, 1936; 12:31 p. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Adjustment Administration.

1936 AGRICULTURAL CONSERVATION PROGRAM—SOUTHERN REGION

BULLETIN NO. 2, SUPPLEMENT (A), REVISED

[Applicable to Designated Counties in Texas and Oklahoma]

Supplement (a) to Southern Region Bulletin No. 2, issued by the Secretary of Agriculture on April 23, 1936, is hereby amended so as to read as follows:

Pursuant to the authority vested in the Secretary of Agriculture under Section 8 of the Soil Conservation and Domestic Allotment Act, payments will be made in connection with the effectuation of the purposes of Section 7 (a) of said Act for 1936, and in accordance with the provisions of Part II, Section 1, and Part IV, Section 2, of Southern Region Bulletin No. 1, Revised (which revises and supersedes Southern Region Bulletin No. 1), as supplemented herein, and such other provisions as may hereafter be made.

The soil-building practices, rates and conditions of payment, and classification of soil-conserving crops as set forth herein shall be applicable only to such counties in Texas and Oklahoma in the wheat and grain sorghum areas as are designated by the respective State Agricultural Conservation Committees and approved by the Agricultural Adjustment Administration.

1. *A summer fallow practice* found by the State Agricultural Conservation Committees in Texas and Oklahoma, respectively, to be a safe and desirable practice shall be considered a soil-conserving practice which may be substituted acre for acre in lieu of a soil-conserving crop.[1]

2. *Alternate strips of sorghum and fallow,* if the sorghums are planted in 1936, either in strips not less than approximately 2 rods nor more than 12 rods in width and such strips are not more than 12 rods apart, or in single or double rows not less than 10 nor more than 16 feet apart, and if the stalks are left on the land as a protection against wind erosion, shall be considered a soil-conserving practice which may be substituted acre for acre in lieu of a soil-conserving crop. If any soil-depleting crop is harvested from such strips or rows in 1936, the acreage actually occupied by such strips or rows shall be considered soil-depleting, and the fallow strips between such sorghum strips or rows shall be considered soil-conserving.

3. *Seeding of any sorghum,* in 1936, if the crop is left on the land shall be considered a soil-conserving practice which may be substituted acre for acre in lieu of a soil-conserving crop.

4. *Natural restoration to native pasture* of crop land which is contour listed in 1936, if sufficient natural cover is maintained by the withholding of all grazing in 1936, after May 1, to insure protection against wind erosion, shall be considered a soil-conserving practice which may be substituted acre for acre in lieu of a soil-conserving crop.

Soil-Building Practices

Practice—Rates and Conditions

A. Contour listing with other conserving practice: *50 cents per acre* when done after January 1, 1936, and before August 1, 1936, on crop land, provided that furrows shall be maintained throughout the remainder of the 1936 growing season, in combination either with practice 2, 3, or 4, as outlined above, or with the seeding to some adapted soil-conserving crop for harvest in 1936.

B. Contour listing maintenance with other conserving practice: *30 cents per acre* when crop land is either relisted in 1936, prior to August 1, or furrows of the original 1936 listing are maintained throughout the remainder of the 1936 growing season, such relisting or maintenance being carried out in combination either with practice 2, 3, or 4, as outlined above, or with the seeding to some adapted soil-conserving crop for harvest in 1936, where producer has applied for a grant of 20 cents per acre for original 1936 listing on such land, and such application for a grant under the 1936 emergency listing appropriation (Section 4, Act of February 29, 1936) has been approved.

C. Contour listing without other conserving practice: *25 cents per acre* when done between April 1, and October 31, 1936, on crop land that is not maintained throughout the 1936 growing season as outlined in A or B above, and that has not already been contour-listed pursuant to an application for a grant under the 1936 emergency listing appropriation. Such land may be seeded to some adapted crop for harvest in 1936. This payment is to be made only in cases where the producer is not able to qualify for 50 cents per acre under A above.

D. Contour listing of pasture land: *25 cents per acre* when done between January 1, and October 31, 1936, on Pasture land, furrows to be spaced as found by the State Agricultural Conservation Committee to be the best practice.

Contour listing shall consist of furrows made with a regular double mold-board lister, a "chisel" of approved design, or other furrowing device which attains the same results and is approved by the county and State committees, furrows to be not over 3 feet 6 inches to 4 feet apart and not less than 1 foot 10 inches to 2 feet 2 inches apart, and done with the contour of the land following lines run with a surveyor's instrument or farm level.

All crops seeded in 1936 on land on which soil-building practice A, B, or C above is in effect shall be seeded following the contour of the listed furrow.

The State Agricultural Conservation Committees in Texas and Oklahoma, respectively, may, subject to the approval of the Agricultural Adjustment Administration, set a maximum slope of field on which they will approve payment for said contour listing.

Soil-building payments for the practices set forth herein will not be made (except as provided herein) when the labor,

[1] The State Agriculture Conservation Committee shall not (in the wind erosion area) approve summer fallow as a substitute for soil-conserving crops if not in combination with strip cropping, contour listing, or contour furrowing unless the county committee has made a special recommendation setting forth a fallow practice which may be so used in each case as a safe and desirable practice.

seed, or materials are furnished or paid for by any State or Federal agency.

Special Ruling

The county committee shall have the authority to refuse to certify any applicant for a grant who in their opinion has been negligent and careless in his farming practices to the extent that his farm has become a wind-erosion hazard to the community in which it is located.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 20th day of May 1936.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 707—Filed, May 21, 1936; 12:35 p. m.]

1936 AGRICULTURAL CONSERVATION PROGRAM—WESTERN REGION

BULLETIN NO. 3

Instructions With Respect to the Establishment of Bases and Productivity Indices and Instructions for Preparation of Work Sheets and County Listing Sheets

Pursuant to the authority vested in the Secretary of Agriculture under Section 8 of the Soil Conservation and Domestic Allotment Act, the following instructions are issued to supplement the provisions of Western Region Bulletin No. 1 Revised (hereinafter referred to as "Bulletin 1"), and the provisions of Western Region Bulletin No. 2 (as issued for each State in the Western Region), in connection with the effectuation of the purposes of Section 7 (a) of said act for 1936:

PART I. CONDITIONS OF GENERAL APPLICATION

SECTION 1. *Determination of Productivity Index for the Farm.*—A yield per acre and a productivity index shall be established for each farm, subject to such adjustments as may be provided in supplements to this Bulletin No. 3, as follows:

The County Committee, subject to approval of the State Committee, will designate, from the list of crops[1] for which county yield data are available, the major soil-depleting crop, and at least one alternate major soil-depleting crop, for the county or for designated parts of the county. If cotton, sugarbeets, rice, or flax, is the major soil-depleting crop in the county, such crop may be designated as the major soil-depleting crop for farms in the county for the purpose of determining the productivity index. In a county where no soil-depleting crop is grown generally throughout the county, or where, for other reasons, no soil-depleting crop can be used in determining the relative productivity of the different farms in the county, then the yields of a soil-conserving crop, such as alfalfa, may be used in determining the productivity indices of the farms in the county, subject to the approval of the State Committee.

The 5-year 1928–32 average yield per acre of the designated major soil-depleting crop for the farm, compared with the county average yield per acre of the same crop for these five years, will be used, wherever applicable, as a measure of the productivity of land for the crops in the general soil-depleting base. If the designated major crop does not fairly reflect the productivity of a farm, then whichever of the designated alternate crops will be the more accurate measure shall be used; or, if the County Committee finds that the productivity of the farm is not accurately measured by the yield of any one of the crops originally designated, the Committee will designate another crop, for which it determines the 1928–32 average yield will most accurately measure the productivity of the land for the crops in the general soil-depleting base. County average yields to be used for this purpose will be supplied by the Agricultural Adjustment Administration.

[1] Including corn, wheat, oats, barley, rye, buckwheat, grain sorghums, soybeans, dry edible beans, sorghum for syrup, broom corn, potatoes, sweetpotatoes, sugar beets, flax, rice, and cotton.

The productivity index of the farm shall be determined by dividing the yield of the crop designated for the farm by the county average yield of that crop and multiplying this result by 100. For instance, if the County Committee designates wheat as the major soil-depleting crop on the farm, and if the county average yield of wheat is 10.0 bushels per acre, and the average yield for the farm is 12.5 bushels per acre, the productivity index of the farm will be 125. The index of 125 is arrived at by dividing 12.5 by 10.0 and multiplying the result by 100. This means that the land for the particular farm is determined to be 25 percent more productive than the average land in the county. However, if the County Committee determines that the productivity index thus determined for the farm is not truly representative of the productivity of the farm as compared with other farms in the county having similar soils, the productivity index shall be adjusted so as to be fair and equitable as compared with other similar farms in the county.

The average of the productivity indices for all farms in the county, weighted by the respective general soil-depleting bases for such farms, shall not exceed 100, unless a variance therefrom is recommended by the State Committee and approved by the Agricultural Adjustment Administration. This means that the general soil-depleting base established for each farm will be multiplied by the productivity index established for that farm, and the sum of these products, divided by the total acreage in the general soil-depleting bases, shall not exceed 100, unless the exception noted above is properly made and approved.

The rate per acre of the soil-conserving payment for any farm, for diversion from the general soil-depleting base, will be determined by multiplying the county rate per acre for such payment by the productivity index for the farm, and by dividing the result by 100.

Variance from the foregoing procedure may be permitted in any State or county upon recommendation of the State Committee and approval of the Agricultural Adjustment Administration.

SECTION 2. *Rounding of Fractions.*—Fractions of acres and average yields shall be expressed to the nearest tenth of an acre or tenth of a unit of yield. Five or fewer hundredths shall be dropped and more than 5 hundredths shall be considered as a whole tenth. Ratios and percentages shall be expressed in whole numbers.

SECTION 3. *Time Limit for Filing Work Sheets and Applications.*—A time limit for filing Work Sheets and applications shall be designated for each county by the State Committee, subject to the approval of the Director of the Western Division.

PART II. ESTABLISHMENT OF SOIL-DEPLETING BASES AND AVERAGE YIELD PER ACRE

SECTION 1. *Total Soil-Depleting Base for Farm.*—The total soil-depleting base for each farm will be equal to the total acreage of soil-depleting crops harvested in 1935, subject to the adjustments provided for in Part III of Bulletin No. 1, and such revisions thereof as appear in Bulletin No. 2, adjustments to include acreage of crop failure of soil-depleting crops in 1935 and adjustments for departure from normal seedings of soil-depleting crops due to abnormal weather conditions.

SECTION 2. *Separate Soil-Depleting Bases for Farm.*—The total soil-depleting base for each farm will be divided into separate soil-depleting bases for cotton, sugar beets, flax, peanuts, tobacco, and rice, and a general soil-depleting base for all other soil depleting crops. A yield per acre will also be established for the farm for cotton, sugar beets, flax, peanuts, and tobacco, respectively.

SECTION 3. *Cotton Soil-Depleting Base and Average Yield of Lint Per Acre.*—

(A) *Farms for Which a Cotton Soil-Depleting Base May be Established.*—A cotton soil-depleting base may be established for a farm:

(1) If one whole acre or more of cotton was planted on such farm in 1934 and/or 1935; or

(2) If the entire base cotton acreage was rented in both 1934 and 1935 to the Secretary of Agriculture under a CARC [2]; or

(3) If failure to plant thereon in 1934 and 1935 was caused by drought, flood, or excessive rains, which, for the same period of time, prevented the commercial production of other agricultural commodities on the land so affected, provided, that cotton was planted in either or both of the years 1932 and 1933.

(B) *Basis Used in Determining the Cotton Soil-Depleting Base.*—The cotton soil-depleting base shall be determined upon whichever one of the following bases is applicable:

(1) If the farm was covered in 1935 by a CARC, the base shall be determined upon the basis of the base acreage accepted in 1935 by the Secretary of Agriculture under such CARC, *except*, that if the acreage planted to cotton in 1935 was substantially below the acreage which could have been planted to cotton within the terms of the CARC and it is not shown that such failure to so plant was due to causes over which the CARC signer had no control, or for the purpose of bringing the reasonably expected production within the Bankhead allotment for the farm for 1935, the planted acreage in 1935, plus the rented acreage in 1935, shall be used in determining the base for the farm.[3]

(2) If the farm was not covered in 1935 by a CARC, the base shall be determined upon the basis of the first applicable combination of years, in the order of presentation below:

(a) If cotton was planted in 4 or 5 years of the period 1928–32, the base shall be determined upon the basis of the total acreage planted to cotton in the 4 or 5 years, divided by 4 or 5, as the case may be.

(b) If cotton was planted in only 3 years of the period 1928–32, one of which was either 1931 or 1932, the base shall be determined upon the basis of the total acreage planted to cotton in the 3 years, divided by 3.

(c) If cotton was planted in only 1931 and 1932, the base shall be determined upon the basis of the total acreage planted to cotton in the 2 years, divided by 2.

(d) If cotton was planted in 1932 and in 1933, but neither (a), (b), nor (c) above is applicable, the base shall be determined upon the basis of the total acreage planted to cotton in the 2 years, divided by 2.

(e) If cotton was planted in 1933, but neither (a), (b), (c), nor (d) above is applicable, the base shall be determined upon the basis of the actual acreage planted to cotton in 1933 (irrespective of the fact that cotton may have been planted in 1931).

(f) If cotton was planted in 1934 and 1935 but not in 1933, and neither (a), (b), (c), nor (d) above is applicable the base shall be determined upon the basis of the total acreage planted to cotton in the 2 years, divided by 2, provided the average acreage so determined shall not be a greater percentage of the total acreage in cultivation on the farm in 1935 then the pertinent percentage.[4]

(g) If cotton was planted in 1934 or 1935 but not in 1933, and neither (a), (b), (c), nor (f) above is applicable, the base shall be determined upon the basis of the actual acreage planted to cotton in such year, provided the acreage stipulated as the acreage planted to cotton in such year on the farm shall not be a greater percentage of the total acreage in cultivation on the farm in 1935 than the pertinent percentage.[4]

(C) *Designation of Yield.*—The yield of lint cotton per acre for each farm for which a Work Sheet is filed shall, in accordance with the following standard, be designated by the appropriate community committee, subject to such adjustment by the County Committee as is necessary in order that the total base cotton production for all farms in the county for which Work Sheets are submitted shall not exceed their proportionate share of the county's production quota.

Each farm covered by a Work Sheet shall have been inspected by at least one member of the community committee serving the community in which the farm is located, who shall report the facts to the community committee before the yield of lint is designated for the farm. The yield designated for any farm shall be that yield which the community committee finds, from all the available facts, to be the yield which could have been reasonably expected from the land devoted to the production of cotton on the farm as an average yield during the 5-year period 1928–32. Such findings shall be examined by the County Committee in the light of all available facts, and be approved or modified by it accordingly. In designating such yield, the committees shall give the greatest weight to the yield per acre of cotton which was produced on the farm in such of the 8 years 1928–35 as cotton was produced thereon. However, in designating the yield, due consideration shall be given by the committees to the trend of yield per acre as well as the effect of the type of soil, drainage, erosion, and fertility of land upon the yield per acre. Other facts bearing on the yield which might have been reasonably expected from this land in the 1928–32 period, including unusual weather conditions, shall be given due weight in designating the yield. Because in some cases records are not available with which to determine the 5-year cotton history for the period 1928–32 for the farm, the 3 years 1933–35 may be used to indicate what such farm would have produced in the 5-year period. For example, if production figures for the farm show an average yield of 200 pounds of lint cotton per acre, and the 5-year 1928–32 average yield for the community is 10 percent lower or higher than the 3-year 1933–35 average yield for the community, the average yield for the farm for the 3-years 1933–35 should be reduced or raised 10 percent, as the case may be.

No community committeeman or county committeeman shall have a voice in designating or approving the yield for any farm which he owns, operates, or controls, or which is owned, operated, or controlled by his wife, brother, sister, parent, child, or other near relative, or upon which he has a loan or in which he has a financial interest.

SECTION 4. *Sugarbeet Soil-Depleting Base and Average Yield of Sugar per Acre.*

(A) *Establishment of Sugarbeet Soil-Depleting Base.*—The sugarbeet soil-depleting base shall be equal to the number of acres used for growing sugarbeets in 1936, not in excess of the total soil-depleting base, less the sum of any cotton, tobacco, and rice soil-depleting bases.

(B) *Average Yield of Sugar per Acre.*—The normal yield of sugarbeets for the farm and the quantity of sugar, raw value, commercially recoverable therefrom will be determined by the Agricultural Adjustment Administration upon the basis of available information. The information necessary for the computation of payments on this basis will be issued later.

SECTION 5. *Flax Soil-Depleting Base and Average Yield Per Acre.*—

(A) The flax soil-depleting base shall be equal to the number of acres used for the growing of flax in 1936, not in excess of the total soil-depleting base, less the sum of any cotton, tobacco, rice and sugarbeet soil-depleting bases established for the farm.

(B) The normal yield of flaxseed per seeded acre for counties in which flaxseed is grown in 1936 shall be established by

[2] The term CARC as used herein refers to the 1934 and 1935 Cotton Acreage Reduction Contract (Form No. Cotton 1, or Form No. Cotton 1 as supplemented for 1935 by Form No. Cotton 102 or 104, or Form No. Cotton 101) and when used with reference to the farm means such a contract which covered the farm and was accepted by the Secretary of Agriculture.

[3] In the event that more recent information establishes that the base acreage for a farm stipulated in a CARC was not correct, the community committee, subject to the approval of the county committee, shall use the true figure in determining the base.

[4] That percentage which the sum of the acreage planted to cotton in the county by CARC signers in 1935, plus the acreage rented to the Secretary of Agriculture in the county in 1935, is of the total acreage in cultivation in 1935 on farms under CARC in 1935 in the county in which the farm is located, such percentage being determined by the State Committee from the official statistics.

the Agricultural Adjustment Administration and shall be approved by the Secretary of Agriculture. In general, these normal yields will be based on the 1928–1932 average yields per seeded acre, with such adjustments as are necessary in areas where little or no flax was grown in 1928–1932. The normal yields per acre for an individual farm will be determined by multiplying the normal county yield by the productivity ratio established for the farm by the County Committee.

SECTION 6. *Tobacco Soil-Depleting Base and Yield Per Acre.*—

(A) The tobacco soil-depleting base that will be established for Burley tobacco for a farm shall be the base acreage which was established or could have been established for such farm under the procedure for 1936–1939 tobacco adjustment programs, subject to adjustment as provided for herein.[5]

(B) The yield per acre of Burley tobacco for a farm shall be the yield per acre determined under the procedure for 1936–1939 tobacco adjustment program.[5]

SECTION 7. *Peanut Soil-Depleting Base and Average Yield per Acre.*—For the relatively few farms in the thirteen States comprising the Western Region on which a peanut soil-depleting base may be established, the procedure for establishing bases and average yields per acre which is set forth in Southern Region Bulletin No. 3 and any supplements which may be issued in respect thereto, shall be followed.

SECTION 8. *Rice Soil-Depleting Base, Base Rice Production, and Acreage.*—The rice soil-depleting base, base rice production, and acreage on which soil-conserving payments may be made for any farm in 1936 shall be established according to the procedure outlined in Bulletin 3, Supplement (a) (which concerns instructions with respect to rice).

SECTION 9. *Appeals.*—When any soil-depleting base for a farm has been recommended by the County Committee for approval by the Secretary of Agriculture, notice of such recommendation will be given by the County Committee to the person who signed the work sheet for the farm. Within fifteen days after the sending of such notice by the County Committee the owner or operator may appeal in writing to the County Committee for reconsideration of its recommendation, stating in full the reasons for such appeal; if no revision is approved by the County Committee, an appeal may be made to the Board of Directors of the County Agricultural Conservation Association, and if there denied, to the State Committee.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 20th day of May, 1936.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 706—Filed, May 21, 1936; 12:34 p. m.]

[Docket No. A-28 O-28]

NOTICE OF HEARING WITH RESPECT TO A PROPOSED AMENDMENT TO THE ORDER AND MARKETING AGREEMENT REGULATING THE HANDLING OF CITRUS FRUIT GROWN IN THE STATE OF FLORIDA

Whereas, under the Agricultural Adjustment Act, as amended, notice of hearing is required to be given in connection with proposed amendments to an order, and the General Regulations, Series A, No. 1, as amended, of the Agricultural Adjustment Administration, United States Department of Agriculture, provide for such notice with respect to proposed amendments to an order or marketing agreement; and

Whereas, the Control Committee established by the order and marketing agreement regulating the handling of citrus fruit grown in the State of Florida submitted an amendment, quoted below, to the said order and marketing agreement and requested that a hearing be held on the said amendment;

Now, therefore, pursuant to the said act and the said general regulations, notice is hereby given of a public hearing to be held in the commissioners' room, City Hall, Lakeland, Florida, on May 26, 1936, at 2:00 p. m., and thereafter until completed, at which time interested parties will be heard with reference to the proposed amendment to the said marketing agreement and order.

The proposed amendment would add the following sentence to section 8 of Article IV of the marketing agreement and order: "The said Control Committee, upon its own initiative, subject to the opportunity of the person affected to be heard, may correct any allotment base if the evidence reveals that such allotment base is inaccurate or inequitable."

Copies of the proposed amendment may be procured from the office of the Hearing Clerk, Room 4725, South Building, United States Department of Agriculture, Washington, D. C.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

WASHINGTON, D. C., *May 20, 1936.*

[F. R. Doc. 708—Filed, May 21, 1936; 12:35 p. m.]

PRSO No. 4, Revision 1 Issued, May 20, 1936

[Puerto Rico Sugar Order No. 4, Revision 1]

ALLOTMENT OF THE QUOTA FOR PUERTO RICO

ORDER MADE BY THE SECRETARY OF AGRICULTURE UNDER THE AGRICULTURAL ADJUSTMENT ACT

By virtue of the authority vested in the Secretary of Agriculture by Section 8a of the Agricultural Adjustment Act, approved May 12, 1933 (hereinafter called the "act") as amended, I, H. A. Wallace, Secretary of Agriculture, do hereby make, issue, publish and give public notice of this order (constituting a revision of and superseding Puerto Rico Sugar Order No. 4) which shall have the force and effect of law, and shall continue in force and effect until amended or superseded by orders or regulations hereafter made by the Secretary of Agriculture.

I

Whereas, General Sugar Quota Regulations, Series 3, Revision 1, establishes for Puerto Rico a quota of 857,452 short tons of sugar, raw value, and forbids processors, persons engaged in the handling of sugar, and others, during the calendar year 1936 from importing into continental United States for consumption, or which shall be consumed therein, and/or from transporting to, or receiving in, continental United States for consumption therein, and/or from processing in any area to which the act has been made applicable, any sugar from Puerto Rico in excess of such quota, and

Whereas, I hereby find that as of January 1, 1936, the surplus stocks of sugar carried over from the 1933–1934 crop year, or substitutions thereof made during the calendar year 1935, amounted to approximately 129,000 short tons of sugar, raw value, and

Whereas, I hereby find that unless the production and marketing of sugar in Puerto Rico is regulated, the amounts of the aforesaid surplus stocks of sugar, together with the amounts of sugar production allotments issued pursuant to the provisions of Puerto Rico Sugarcane Administrative Ruling No. 3, will be in excess of the said quota established for Puerto Rico for consumption in continental United States as aforesaid, and of the estimated market demand during the calendar year 1936 for sugar for consumption outside of continental United States.

II

Now, therefore, upon the basis of the foregoing findings and pursuant to the foregoing authority, it is hereby ordered:

1. That there shall be deducted 28,000 short tons of sugar, raw value, from the quota of sugar established for Puerto Rico for the calendar year 1936, in General Sugar Quota Regulations, Series 3, Revision 1, which deduction represents

[5] For details of how to establish the base acreage and yield per acre for Burley tobacco, see T-401, entitled "Tobacco Administrative Rulings, Series of 1936–1939, Relating to Burley, Fire-Cured, Dark Air-Cured Tobacco Contracts, 1936–1939."

the portion of the surplus stocks of sugar carried over from the 1933–34 crop year, or substitutions thereof made during the calendar year 1935, which may be marketed in continental United States during the calendar year 1936.

2. That there is hereby set aside an unallotted reserve of 1,465 tons of sugar, raw value, for future allotment by the Officer in Charge of the Sugar Section in San Juan, Puerto Rico, or, in his absence, the acting officer in charge thereof.

3. That the portion of the quota of 857,452 tons of sugar, raw value, established for Puerto Rico for the calendar year 1936, in General Sugar Quota Regulations, Series 3, Revision 1, which shall be filled from current processing is 827,987 tons of sugar, raw value.

4. That there is hereby allotted to the following processors for the calendar year 1935 the amounts of sugar which appear opposite their respective names:

Name of processor	Allotment from processing	Allotment from surplus stocks	Marketing allotment
(1) Aguirre	98,881	3,462	102,343
(2) Cambalache	35,274	1,271	36,545
(3) Canovanas	30,713	1,222	31,935
(4) Carmen	14,342	550	14,892
(5) Coloso	32,739	1,120	33,859
(6) Constancia-Toa	20,263	768	21,031
(7) El Ejemplo	12,503	504	13,007
(8) Eureka	10,902	4	10,906
(9) Fajardo	59,944	2,400	62,344
(10) Guanica	94,269	4,032	98,301
(11) Guamani	11,322	408	11,730
(12) Herminia	1,849	----------	1,849
(13) Igualdad	11,708	----------	11,708
(14) Juanita	15,031	75	15,106
(15) Lafayette	29,322	1,093	30,415
(16) Plazuela-Los Canos	36,038	1,167	37,205
(17) Monserrate	11,846	64	11,910
(18) Pellejas	1,371	----------	1,371
(19) Plata	10,335	----------	10,335
(20) Playa Grande	7,615	----------	7,615
(21) Rochelaise	8,536	378	8,914
(22) Roig	26,823	1,021	27,849
(23) Rufina	26,995	1,030	28,025
(24) San Vicente	29,827	998	30,795
(25) Santa Barbara	2,610	----------	2,610
(26) Soller	5,235	2	5,237
(27) Vannina	13,542	517	14,059
(28) Victoria	16,318	583	16,901
(29) Eastern Sugar Associates	83,689	3,349	87,038
(30) San Francisco	5,776	204	5,980
(31) Caribe	6,521	163	6,684
(32) Constancia-Ponce	8,204	----------	8,204
(33) Mercedita	33,014	1,138	34,152
(34) Boca Chica	14,582	507	15,089
	827,987	28,000	855,987
Reserve for future allotment	----------	----------	1,465
			857,452

5. That where a processor cannot complete his "allotment from processing" owing to insufficient sugarcane within his mill area, the deficiency may be filled from surplus stocks of sugar carried over from the 1933–34 crop year, or substitutions thereof made during the calendar year 1935.

6. That during the calendar year 1936, the above-named processors are hereby forbidden from importing into continental United States for consumption, or which shall be consumed therein, any sugar from Puerto Rico in excess of the marketing allotments set forth in paragraph 4 hereof.

7. That allotments fixed herein shall not be assigned or transferred without the approval of the Secretary or his duly appointed agent.

8. That whenever any person is aggrieved because of any allotment made to him, or to any other person, or because he has received no allotment, or because of any provision herein, he may make application in writing under oath to the Secretary for the adjustment of any allotment, or for the issuance of an allotment, or for the modification of any provision herein, which application shall fully set forth his complaint and the facts in support thereof. If, upon the basis of such application, the Secretary has reason to believe that the complaint is well-founded, he shall give due notice and opportunity for interested persons to be heard on such application. Upon the basis of the record obtained at such hearing, the Secretary may grant or deny, in whole or in part, said application.

If any provision herein is declared invalid, in whole or in part, the validity of the remaining provisions shall not be affected thereby, and if any provision is declared inapplicable to any person or circumstance, the applicability of such provision to any other person or circumstance shall not be affected thereby.

The Secretary may by designation in writing name any person, including any officer or employee of the government or any bureau or division in the Department of Agriculture, to act as his agent or agencies in exercising any power herein vested in him.

In testimony whereof, H. A. Wallace, Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 20th day of May, 1936.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

[F.R. Doc. 709—Filed, May 21, 1936; 12:36 p.m.]

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 16th day of May A. D. 1936.

Commissioners: James M. Landis, Chairman; George C. Mathews, Robert E. Healy, J. D. Ross, William O. Douglas.

[File No. 36-14]

IN THE MATTER OF MASSACHUSETTS POWER AND LIGHT ASSOCIATES

ORDER APPROVING ACQUISITION OF ASSETS

Massachusetts Power and Light Associates, a trust organized under the laws of The Commonwealth of Massachusetts, and a subsidiary of New England Power Association, a registered holding company, has filed an application with the Commission pursuant to Section 10 (a) (1) of the Public Utility Holding Company Act of 1935 for approval of the acquisition by it of all the assets of its subsidiary, Utility Shares Associates, a trust. These assets consist of:

11,821 shares of capital stock of Lynn Gas & Electric Company.

Trust certificates representing 1,185 shares of such capital stock.

17,926 shares of capital stock of Haverhill Electric Company.

Said application having been amended, a hearing on said amended application was duly had after appropriate notice given. The record in this matter having been duly considered the Commission makes the following findings and order.

The acquisition will be effected through the termination and liquidation of Utility Shares Associates, a trust, of which the applicant is the sole beneficiary and shareholder. By virtue of such termination the applicant will receive all of its assets.

Since both the applicant and Utility Shares Associates are subsidiaries of New England Power Association, the proposed acquisition does not represent any increase or change in control or interlocking relations in the holding company system, but merely will result in the elimination of one intermediate holding company. No change in the relations of the applicant to the operating companies whose securities are being acquired will be effected through the acquisition and no public offering is involved.

The consideration being given by the applicant is the surrender to the Trustees of Utility Shares Associates of all the outstanding shares of the trust in return for the transfer to the applicant of all of the trust assets. The value and earning capacity of such trust shares is solely determined by and is equivalent to the value and earning capacity of the trust assets. The acquisition does not change the

relation of the applicant in any way to the sums invested in that proportion of the utility assets represented by the securities to be acquired. The elimination of the intermediate holding company will tend to simplify the capital structure of the holding-company system of the applicant.

The amounts at which the securities are to be recorded on the books of the applicant are not involved in this proceeding and the Commission at this time need not pass on the value of these securities.

Accordingly the Commission does not make any of the adverse findings described in sub-paragraphs (1), (2), and (3) of Section 10 (b).

Neither Lynn Gas & Electric Company nor Haverhill Electric Company serves substantially the same territory with electricity or gas as that served by companies in which the applicant or New England Power Association has an interest. Thus the acquisition is not unlawful under the provisions of Section 8. Nor is it detrimental to the carrying out of the provisions of Section 11, since the simplification of the corporate structure of the applicant is in accord with the policy of Section 11.

The acquisition should result in certain tax and other economies and tend, if anything, toward more efficient operation and effective regulation of the applicant. The Commission, therefore, finds that such acquisition will serve the public interest by tending toward the economical and efficient development of an integrated public-utility system.

Opinion of counsel filed by the applicant states that no laws of The Commonwealth of Massachusetts apply with respect to this acquisition and an investigation of such laws discloses no reason for doubting the soundness of this opinion. It appears to the satisfaction of the Commission that no state laws apply in respect to this acquisition.

It is ordered that such application be, and the same is hereby approved, on condition that the terms and conditions of such acquisition shall be in substantial compliance with the terms and conditions of the amended application and in the manner represented thereby.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 699—Filed, May 20, 1936; 12:50 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 16th day of May A. D. 1936.

Commissioners: James M. Landis, Chairman; George C. Mathews, Robert E. Healy, J. D. Ross, William O. Douglas.

[File No. 36-15]

IN THE MATTER OF NEW ENGLAND POWER ASSOCIATION

ORDER APPROVING ACQUISITION OF ASSETS

New England Power Association, a trust organized under the laws of The Commonwealth of Massachusetts, and a registered holding company, has filed an application with the Commission pursuant to Section 10 (a) (1) of the Public Utility Holding Company Act of 1935 for approval of the acquisition by it of all the assets of its subsidiary, New England Power Securities Company, a trust. These assets consist of:

Title of Issue to be Acquired	Amount to be Acquired
New England Power Association:	*Shares*
$2 Dividend Cumulative Preferred Shares (no par)	59
6% Preferred Cumulative Shares (par $100)	1
Common Shares (no par)	5
Connecticut River Power Company:	
6% Cumulative Preferred Stock (par $100)	2,245
Massachusetts Power and Light Associates:	
$2 Dividend Cumulative Preferred Shares (no par)	8,528
Common Shares (no par)	6,398
Haverhill Electric Company:	
Capital Stock (par $25)	60
The Rhode Island Public Service Company:	
$2 Dividend Cumulative Preferred Stock (par $27.50)	1,784
The Narragansett Electric Company:	*Principal*
First Mortgage 5% Bonds, Series A	$2,500
Bond Scrip, exchangeable for Series A Bonds	$345.79
Massachusetts Utilities Associates Common Voting Trust:	
Common Voting Trust Certificates (par $1.00) representing Common Shares of Massachusetts Utilities Associates	*Shares* 1,018,164
Massachusetts Utilities Associates:	
5% Cumulative Preferred Shares (express value $50)	15,760
Massachusetts Lighting Companies:	
Shares Trust	
Trust Certificates (Common—no par)	28
Massachusetts Lighting Companies:	
Common Shares (no par)	247
International Hydro-Electric System:	
$3.50 Cumulative Convertible Preferred Shares (par $50)	2,415
Eastern Utilities Associates:	
Common Shares (no par)	75
Convertible Shares (no par)	1,215
Fitchburg Gas and Electric Light Company:	
Capital Stock (par $25)	5,734
Lynn Gas & Electric Company:	
Capital Stock (par $25)	515
Voting Trust Certificates representing capital stock	1,654
New Bedford Gas and Edison Light Company:	
Capital Stock (par $25)	60
Western Massachusetts Companies:	
Capital stock (no par)	8,607
Berkshire Fine Spinning Associates, Inc.:	
7% Cumulative Convertible Preferred Stock (par $100)	200
Common Stock (no par)	100
Essex Company:	
Capital Stock (par $50)	176

Said application having been amended, a hearing on said amended application was duly had after appropriate notice given. The record in this matter having been duly considered, the Commission makes the following findings and order.

The acquisition will be effected through the termination and liquidation of New England Power Association, a trust, of which the applicant is the sole beneficiary and shareholder. Upon such termination and liquidation, the applicant will receive all of its assets.

Since New England Power Securities Company is a wholly-owned subsidiary of applicant the proposed acquisition does not represent any increase or change in control or interlocking relations in the holding company system, but will result in the elimination of one intermediate holding company. No change in the relations of the applicant to the operating companies whose stock is being acquired will be effected through the acquisition and no public offering is involved.

The consideration being given by the applicant is the surrender to the Trustees of New England Power Securities Company of all the outstanding shares of the trust in return for the transfer to the applicant of all of the trust assets. The value and earning capacity of such trust shares is solely determined by and is equivalent to the value and earning capacity of the trust assets. The acquisition does not change the relation of the applicant in any way to the sums invested in that proportion of the utility assets represented by the securities involved. The elimination of the intermediate holding company will tend to simplify the capital structure of the holding-company system of the applicant.

The amounts at which the securities are to be recorded on the books of the applicant are not involved in this proceeding, and the Commission at this time need not pass on the value of these securities.

Accordingly the Commission does not make any of the adverse findings described in sub-paragraphs (1), (2), and (3) of Section 10 (b).

While certain companies whose securities are being transferred serve the same territory with gas as is served with electricity by other companies whose stock is likewise being transferred, applicant is not adding to or changing its stock interest in these operating companies. Its control of such stock interest is the same with a change merely in the form. Accordingly, the acquisition is not unlawful under Section 8.

Nor is the acquisition detrimental to the carrying out of the provisions of Section 11, since the simplification of the corporate structure of the applicant is in accord with the policy of Section 11.

The acquisition should result in certain tax and other economies and tend, if anything, toward more efficient operation and effective regulation of the applicant. The Commission, therefore, finds that such acquisition will serve the public interest by tending toward the economical and efficient development of an integrated public-utility system.

Opinion of counsel filed by the applicant states that no laws of The Commonwealth of Massachusetts apply with respect to this acquisition and an investigation of such laws discloses no reason for doubting the soundness of this position. It appears to the satisfaction of the Commission that no state laws apply in respect to this acquisition.

It is ordered that such application be, and the same is hereby approved, on condition that the terms and conditions of such acquisition shall be in substantial compliance with the terms and conditions of the amended application and in the manner represented thereby.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 698—Filed, May 20, 1936; 12:49 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 16th day of May A. D. 1936.

Commissioners: James M. Landis, Chairman; George C. Mathews, Robert E. Healy, J. D. Ross, William O. Douglas.

[File No. 36-16]

IN THE MATTER OF FALL RIVER ELECTRIC LIGHT COMPANY

ORDER APPROVING ACQUISITION OF ASSETS

Fall River Electric Light Company, a corporation organized under the laws of The Commonwealth of Massachusetts, and a subsidiary of New England Power Association, a registered holding company, has filed an application with the Commission pursuant to Section 10 (a) (2) of the Public Utility Holding Company Act of 1935 for approval of the acquisition by it of about 6/10 of a mile of right-of-way in the Town of Swansea, Massachusetts, together with poles, lines, switching station and equipment thereon.

Said application having been amended, a hearing on said amended application was duly had after appropriate notice given. The record in this matter having been duly considered, the Commission makes the following findings and order:

The Commission finds that the company from which the above-mentioned assets are to be acquired, namely, The Narragansett Electric Company, is a wholly-owned subsidiary of the New England Power Association and that its property is interconnected with that of the applicant by means of the line of which the portion to be acquired is a part.

The proposed acquisition does not represent any change or increase in control or interlocking relations.

Upon delivery of the deed for the property involved applicant proposes to pay $4,500 in cash and at the same time to enter into a contract for the use of the acquired property for the transmission of electricity, such contract providing for the payment by the vendor to it of $861 per annum. No fees, commissions, or other remuneration are to be paid in connection with this acquisition. Investigation has disclosed no reason to doubt the evidence submitted by the applicant showing the reasonableness of the consideration, the original cost, the present value of the properties, and of the annual payment under the contract.

The amount involved is very little in relation to applicant's total assets and no appreciable effect on capital structure of either the vendor or the applicant companies will take place.

Accordingly the Commission does not make any of the adverse findings described in sub-paragraphs (1), (2), or (3) of Section 10 (b).

Applicant is merely purchasing additional electric property in a territory where it already serves electricity and neither vendor nor applicant serves the same territory. Such acquisition is not unlawful under the provisions of Section 8.

The smallness of the segment of property transferred in relation to applicant's total assets, together with the fact that the two companies are already interconnected and part of the same holding-company system, prevents this acquisition from being detrimental to the carrying out of the provisions of Section 11.

After the sale, the vendor-company will no longer have any property in or be subject to the jurisdiction of Massachusetts which will doubtless relieve it from some minor costs of operation. To the extent that this acquisition has any effect upon either the applicant or vendor-company the tendency should be toward more localized management, efficient operation, and effectiveness of regulation by the State in which the property is located. Such acquisition will serve the public interest by tending towards the economical and efficient development of an integrated public-utility system.

Applicant has submitted an opinion of counsel to the effect that the laws of Massachusetts do not require an approval of this acquisition by the Department of Public Utilities in that state, and that the Division of Public Utilities of the Department of Taxation and Regulation of the State of Rhode Island is not required to approve the sale of these assets. An investigation of the laws of the respective states has disclosed no reason to doubt this opinion. It thus appears to the satisfaction of the Commission that no state laws apply in respect of this acquisition.

It is ordered that such acquisition be and the same is hereby approved on condition that the terms and conditions of such acquisition shall be in substantial compliance with the terms and conditions of the amended application in the manner represented thereby.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 700—Filed, May 20, 1936; 1:04 p. m.]

Saturday, May 23, 1936 *No. 51*

PRESIDENT OF THE UNITED STATES.

INCREASING RATES OF DUTY ON COTTON CLOTH

By the President of the United States of America

A PROCLAMATION

WHEREAS pursuant to section 336 of Title III, Part II, of the Tariff Act of 1930 (46 Stat. 590, 701), the United States Tariff Commission has investigated the differences in costs of production of, and all other facts and conditions enumerated in said section with respect to, cotton cloth, being wholly or in part the growth or product of the United States and of and with respect to a like or similar article wholly or in part the growth or product of the principal competing country;

WHEREAS in the course of said investigation a hearing was held, of which reasonable public notice was given and at which parties interested were given reasonable opportunity to be present, to produce evidence, and to be heard;

WHEREAS the Commission has reported to the President the results of said investigation and its findings with respect to such differences in costs of production;

WHEREAS the Commission has found it shown by said investigation that the principal competing country is Japan, and that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced